Accessing your account

Whether it’s online or by phone, accessing and managing your retirement account couldn’t be easier. Call or go online 24 hours a day, 7 days a week. And, if you need personal assistance, our Customer Service representatives are also available Monday through Friday from 8:00 a.m. – 8:00 p.m. Eastern Time.

<table>
<thead>
<tr>
<th>What you can do</th>
<th>What you will need to access your account</th>
</tr>
</thead>
<tbody>
<tr>
<td>• View account summary</td>
<td>• Social Security Number</td>
</tr>
<tr>
<td>• Check account balance</td>
<td>• PIN (Personal Identification Number)</td>
</tr>
<tr>
<td>• View fund performance and information</td>
<td>For your protection, your PIN is required every time you access your account by phone or online. Keep your PIN in a safe place.</td>
</tr>
<tr>
<td>• Change allocation of future contributions</td>
<td>PIN:</td>
</tr>
<tr>
<td>• Transfer assets between funds</td>
<td></td>
</tr>
<tr>
<td>• Request a new PIN</td>
<td></td>
</tr>
<tr>
<td>• Request a prospectus</td>
<td></td>
</tr>
</tbody>
</table>

**Telephone**

- Call 800 234-3500.
- Enter your Social Security Number and PIN when prompted.
- The voice response offers a menu of options and step-by-step instructions.
  You can speak with a Customer Service representative at any time from 8:00 a.m. – 8:00 p.m. Eastern Time.

**Online**

- Log in to the Web site shown on the first page of this book.
- Enter your Social Security Number and PIN. Click “Login.”
- Choose from any of the menu options on the navigation bar.
  If you have questions, click “Contact Us” on the horizontal navigation bar and send us an e-mail.
Welcome to your retirement plan.

Your employer has chosen Lincoln Financial Group to provide investment options and administrative services for your retirement plan. You can feel confident knowing your employer has partnered with a reputable company, Lincoln Financial Group; a strong leader in the financial services industry with more than a century’s experience of helping customers with their financial needs. This means you have a trusted partner to help you save toward a secure financial future.

Lincoln Financial Group offers an education program that meets your changing needs over the course of a lifetime. Whether you are busy saving for your future or nearing retirement, the LifeSpan® learning program can help you create a bridge to a comfortable life after work, with personal attention every step of the way to help make the journey a successful one. That’s right. Enroll and you’ll receive as much personal attention as you want to help you plan for a secure financial future.

Program Highlights

- Employee Contributions
- Employer Contributions
- Investment Options
- Administration
- Loans
- Withdrawals
- Service

Investment Options

- Funds
- Investment Pyramid
- Performance Summary
- Fund Facts – Investment Information by Fund
- LifeSpan® Asset Allocation Models

Accessing Your Account

- Phone: 800 234-3500
- Online: www.LincolnAlliance.com

Contact with Questions

Johanna Dy, Senior Retirement Consultant
Toll Free: (866) 291-3404
Fax: (260) 455-0149
Email: Johanna.Dy@LFG.com
401(k) Retirement Savings Plan for Employees of the Valley Hospital  
(the “401(k) Retirement Plan”) Effective January 1, 2010

Employee Contributions

- Eligibility and Entry Requirements: For salary deferrals, participation in the 401(k) Plan is open to all eligible employees upon date of hire.
- Employees excluded from participating in the 401(k) Retirement Plan include: Leased, contract, or temporary employees, employees covered by a collective bargaining agreement that does not provide membership in the Plan, and non-resident aliens with no earned U.S. income.
- Your pre-tax contributions are made via payroll deduction.
- The Plan includes an automatic enrollment feature. You will be enrolled automatically in the 401(k) Retirement Plan at a contribution of 4% of your pay. You are not required to contribute to the Plan. If you do not wish to contribute, you may discontinue or change your contribution rate by contacting Lincoln Financial. Each year, beginning in January, if you contribute to the Plan at a rate of at least 4% during the prior year, your contribution rate will be increased automatically by 1% over the rate you were contributing the prior year. Your rate will not be automatically increased above 10% of your pay.
- You may contribute up to 75% of your eligible compensation, not to exceed the annual maximum IRS limitations on salary deferral contributions you make to the Plan. The tax information provided later in this booklet is brought to you as a courtesy and is for educational purposes only.
- If you will reach age 50 or older in a year, you may make a “catch-up” contribution, not to exceed the annual maximum IRS limitations, in addition to your regular contributions.
- Vesting: You are always 100% vested in the contributions you make to your 401(k) Retirement Plan account and any related investment earnings.

Employer Contributions

- You are eligible to receive Valley’s contributions to your 401(k) Retirement Plan account after you complete 1,000 hours or more of service during the first 12 months of your employment with Valley Hospital or during any calendar year beginning after your date of hire.
- Employees excluded from participating in the 401(k) Retirement Plan include: Leased, contract, or temporary employees, employees covered by a collective bargaining agreement that does not provide membership in the Plan, and non-resident aliens with no earned U.S. income.
- The table below shows Valley's Basic and Matching contributions to your 401(k) Retirement Plan account based on your points total. Your points are equal to your full years of Credited Service plus your full years of age as of December 31 of the prior year.

<table>
<thead>
<tr>
<th>Points (Full Years of Credited Service Plus Full Years of Age as of December 31 of the prior year)</th>
<th>Valley’s Basic Contribution</th>
<th>Valley’s Matching Contribution (100% match on your contributions up to the first 3.5% of your pay you contributed)</th>
<th>Maximum Hospital Contribution (Percentage of your pay)</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 - 34</td>
<td>1%</td>
<td>3.5%</td>
<td>4.5%</td>
</tr>
<tr>
<td>35 - 44</td>
<td>2%</td>
<td>3.5%</td>
<td>5.5%</td>
</tr>
<tr>
<td>45 - 54</td>
<td>3%</td>
<td>3.5%</td>
<td>6.5%</td>
</tr>
<tr>
<td>55 - 64</td>
<td>4%</td>
<td>3.5%</td>
<td>7.5%</td>
</tr>
<tr>
<td>65 - 74</td>
<td>5%</td>
<td>3.5%</td>
<td>8.5%</td>
</tr>
<tr>
<td>75 +</td>
<td>6%</td>
<td>3.5%</td>
<td>9.5%</td>
</tr>
</tbody>
</table>

- Vesting: Your employer contributions, plus earnings they generate, are vested as follows:

<table>
<thead>
<tr>
<th>Vesting Effective 1/1/2010</th>
<th>Years of Service</th>
<th>Vested Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vesting Effective 1/1/2010</td>
<td>Years of Service</td>
<td>Vested Amount</td>
</tr>
<tr>
<td>0-2</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>2 or more</td>
<td>100%</td>
<td></td>
</tr>
</tbody>
</table>
Investment Options

- You can direct your future investments to a variety of widely-recognized mutual funds.
- You have the option to select one of the following LifeSpan® asset allocation models:
  - Conservative Model
  - Moderate Model
  - Aggressive Model
- If you do not select investment choices, Valley’s contributions and your contributions will be invested in the LifeSpan® Moderate Asset Allocation Model. This is the default investment option designated by Valley.
- You may roll over existing retirement assets from a previous employer to the 401(k) Retirement Plan

Administration

- Contributions in this program are made at Net Asset Value (NAV).
- Front-end sales charges are waived.
- Mutual fund companies encourage investing for the long term. Certain funds may place restrictions on short-term trading and market timing by imposing redemption fees or trade restrictions. Please read the fund prospectus for details.
- If you elect the Managed by Morningstar® discretionary account services, an additional charge of up to 0.45% may be assessed against your account. Morningstar assesses 0.30% for their investment advisory and account management services, and Lincoln may assess up to 0.15% for administration and record keeping services.
- This plan is managed as an ERISA Section 404(c) plan. This simply means that you exercise control over some or all of the investments in your plan account. The fiduciaries of the plan may be relieved of liability, or responsibility, for any losses that you may experience as a direct result of your investment decisions.

Loans

- Although the 401(k) Retirement Plan is intended to help you put aside money for the future, you can borrow from your account.
- You may borrow up to $50,000 or 50% of your vested account balance (reduced by the highest outstanding loan in the last 12 months, reduced by the outstanding balance of all loans) for a general-purpose loan or to help you acquire a principal residence. The minimum loan amount is $1,000.
- All loans must be repaid within 5 years, except loans used to purchase a primary residence.

Withdrawals

- You can withdraw money from your account when one of the following events occur:
  - Attainment of age 59½ (employee contributions with interest and rollovers)
  - Retirement
  - Death
  - Total and Permanent Disability
  - Separation from employment
  - Eligible financial hardship (Hardship withdrawals may only be made from employee contributions and rollovers).
- Taxes will be due upon distribution and, if taken before age 59½, may be subject to an additional 10% federal tax penalty. Consult with your tax advisor before withdrawing any money from your account.

Service

- You may access your account online at www.LincolnAlliance.com. For your protection, your PIN number and Social Security number are required to access your account. Your PIN can be changed at any time to a password that you will easily remember to access your account whenever it is most convenient for you.
- You may call customer service toll-free at 800-234-3500 for more information.

These highlights are a brief overview of the 401(k) Retirement Plan features and not a legally binding document. Please read it carefully and contact your Human Resources department if you have further questions.
### 401(k) Retirement Plan Valley Hospital

<table>
<thead>
<tr>
<th>Investment Option</th>
<th>Ticker</th>
</tr>
</thead>
<tbody>
<tr>
<td>AllianceBern Global Bond A</td>
<td>ANAGX</td>
</tr>
<tr>
<td>American Century Vista Adv</td>
<td>TWVAX</td>
</tr>
<tr>
<td>American Funds EuroPacific Gr R5</td>
<td>RERFX</td>
</tr>
<tr>
<td>American Funds Growth Fund of Amer A</td>
<td>AGTHX</td>
</tr>
<tr>
<td>American Funds Washington Mutual R5</td>
<td>RWMFX</td>
</tr>
<tr>
<td>Artio Global High Income A</td>
<td>BJBHX</td>
</tr>
<tr>
<td>Columbia Intermediate Bond Z</td>
<td>SRBFX</td>
</tr>
<tr>
<td>Columbia Mid Cap Value Z</td>
<td>NAMAX</td>
</tr>
<tr>
<td>Columbia Strategic Investor Z</td>
<td>CSVFX</td>
</tr>
<tr>
<td>Davis Real Estate A</td>
<td>RPFRX</td>
</tr>
<tr>
<td>Dodge &amp; Cox Balanced</td>
<td>DODBX</td>
</tr>
<tr>
<td>Dodge &amp; Cox Stock</td>
<td>DODGX</td>
</tr>
<tr>
<td>Fidelity Advisor Mid Cap T</td>
<td>FMCAAX</td>
</tr>
<tr>
<td>JPMorgan Small Cap Equity Sel</td>
<td>VSEIX</td>
</tr>
<tr>
<td>Janus Balanced J</td>
<td>JABAX</td>
</tr>
<tr>
<td>Legg Mason Batterymarch Emerging Mkts Fl</td>
<td>LGFMX</td>
</tr>
<tr>
<td>Lincoln Fixed Annuity</td>
<td>---</td>
</tr>
<tr>
<td>Morgan Stanley Inst US Sm Cp Value P</td>
<td>MCVAX</td>
</tr>
<tr>
<td>Neuberger Berman Socially Resp Tr</td>
<td>NBSTX</td>
</tr>
<tr>
<td>Oppenheimer Global A</td>
<td>OPPAX</td>
</tr>
<tr>
<td>Oppenheimer Global Opportunities A</td>
<td>OPGIX</td>
</tr>
<tr>
<td>PIMCO Total Return A</td>
<td>PTTAX</td>
</tr>
<tr>
<td>Templeton Foreign A</td>
<td>TEMFX</td>
</tr>
<tr>
<td>Vanguard 500 Index Investor</td>
<td>VFINX</td>
</tr>
<tr>
<td>Vanguard Explorer</td>
<td>VEXPX</td>
</tr>
</tbody>
</table>

Important information on the specific funds available within your retirement plan is shown on the following pages. The definitions below will help you better understand the investment risks. The mutual fund information is compiled by NewRiver, Inc., using Morningstar®, Inc., and documents filed with the Securities & Exchange Commission's EDGAR database. The information is provided on an "as is" basis and without warranties.

The **Morningstar® Category** is assigned based on the underlying securities in each portfolio as measured by the portfolio statistics and compositions over the past three years.

The **Morningstar® Style Box™** provides a graphical representation of the investment style of stocks, bonds and mutual funds. For stocks and stock funds it classifies securities according to the market capitalization (vertical axis) and growth and value factors (horizontal axis). Fixed income funds are classified according to credit quality (vertical axis) and sensitivity to changes in interest rates (horizontal axis).

---

**With respect to a mutual fund investment option, an investor should carefully consider the investment objectives, risks, and charges and expenses of the investment company before investing. The prospectus contains this and other important information and should be read carefully before investing or sending money. Investment values will fluctuate with changes in market conditions, so that upon withdrawal, your investment may be worth more or less than the amount originally invested. Prospectuses for any of the mutual funds are available by calling your Lincoln Representative.**

The program(s) include certain services provided by Lincoln Financial Advisors Corp. (LFA), a broker-dealer (member FINRA) and an affiliate of Lincoln Financial Group, 1300 S. Clinton St., Fort Wayne, IN 46802. Unaffiliated broker-dealers also may provide services to customers.

LCN200902-2026835
The Morningstar® category is assigned based on the underlying securities in each portfolio as measured by the portfolio statistics and compositions over the past three years. Morningstar categories help investors and investment professionals make meaningful comparisons between funds. The categories make it easier to build well-diversified portfolios, assess potential risk, and identify top-performing funds. If the fund is new and has no portfolio history, Morningstar estimates where it will fall before giving it a more permanent category assignment. When necessary, Morningstar may change a category assignment based on recent changes to the portfolio.

The chart below shows the investment options available in your Plan by asset class:

- Each asset class is weighted from highest to lowest risk.
- Within each asset class, investment options are also listed from highest to lowest risk potential (except where noted that risk weighting is not available).

### Investment Option

<table>
<thead>
<tr>
<th>Investment Option</th>
<th>Morningstar Category</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Stock-based Investments</strong></td>
<td></td>
</tr>
<tr>
<td>Legg Mason BatteryMarch Emerging Mkts Fi</td>
<td>Diversified Emerging Mkts</td>
</tr>
<tr>
<td>American Funds EuroPacific Gr R</td>
<td>Foreign Large Blend</td>
</tr>
<tr>
<td>Templeton Foreign A</td>
<td>Foreign Large Value</td>
</tr>
<tr>
<td>Oppenheimer Global Opportunities A</td>
<td>World Stock</td>
</tr>
<tr>
<td>Oppenheimer Global A</td>
<td>World Stock</td>
</tr>
<tr>
<td>Davis Real Estate A</td>
<td>Real Estate</td>
</tr>
<tr>
<td>Vanguard Explorer</td>
<td>Small Growth</td>
</tr>
<tr>
<td>JPMorgan Small Cap Equity Sel</td>
<td>Small Growth</td>
</tr>
<tr>
<td>Morgan Stanley Inst US Sm Cp Value P</td>
<td>Small Value</td>
</tr>
<tr>
<td>Fidelity Advisor Mid Cap T</td>
<td>Mid-Cap Growth</td>
</tr>
<tr>
<td>American Century Vista Adv</td>
<td>Mid-Cap Growth</td>
</tr>
<tr>
<td>Columbia Mid Cap Value Z</td>
<td>Mid-Cap Value</td>
</tr>
<tr>
<td>Columbia Strategic Investor Z</td>
<td>Large Growth</td>
</tr>
<tr>
<td>American Funds Growth Fund of Amer A</td>
<td>Large Growth</td>
</tr>
<tr>
<td>Vanguard 500 Index Investor</td>
<td>Large Blend</td>
</tr>
<tr>
<td>Neuberger Berman Socially Resp Tr</td>
<td>Large Blend</td>
</tr>
<tr>
<td>Dodge &amp; Cox Stock</td>
<td>Large Value</td>
</tr>
<tr>
<td>American Funds Washington Mutual R</td>
<td>Large Value</td>
</tr>
<tr>
<td><strong>Balanced-based Investments</strong></td>
<td></td>
</tr>
<tr>
<td>Janus Balanced J</td>
<td>Moderate Allocation</td>
</tr>
<tr>
<td>Dodge &amp; Cox Balanced</td>
<td>Moderate Allocation</td>
</tr>
<tr>
<td><strong>Bond-based Investments</strong></td>
<td></td>
</tr>
<tr>
<td>Artio Global High Income A</td>
<td>High Yield Bond</td>
</tr>
<tr>
<td>AllianceBern Global Bond A</td>
<td>World Bond</td>
</tr>
<tr>
<td>PIMCO Total Return A</td>
<td>Intermediate-Term Bond</td>
</tr>
<tr>
<td>Columbia Intermediate Bond Z</td>
<td>Intermediate-Term Bond</td>
</tr>
<tr>
<td><strong>Cash and Stable Value Investments</strong></td>
<td></td>
</tr>
<tr>
<td>Lincoln Fixed Annuity</td>
<td>Lincoln Fixed Annuity</td>
</tr>
</tbody>
</table>

1. Bond funds are less volatile than stock funds, but experience higher volatility and increased credit risk when compared to other fixed income investments.
2. High yield bonds experience higher volatility and increased credit risk when compared to other fixed income investments.
3. Funds that diversify across asset classes generally have the same, but reduced, risks relative to the underlying asset classes.
4. Small-cap stocks may be riskier than stocks from more established companies. Small-cap investments may not be readily converted into cash. This may affect their value so that shares, when redeemed, may be worth more or less than what they originally cost.
5. International investing involves special risks not found in domestic investing, including increased political, social, economic and currency instability.
6. Investing in emerging markets can be riskier than investing in well-established foreign markets. International investing involves special risks not found in domestic investing, including increased political, social, economic and currency instability.
7. There are special risk factors associated with REITs, such as interest rate risk and the illiquidity of the real estate market. Shares, when redeemed, may be worth more or less than the original amount invested.
8. Social Awareness funds only invest in companies that meet socially responsible criteria, so exposure to certain industry sectors may be greater or less than similar funds or market indexes, and thereby may lead to performance differences.
9. The Lincoln Fixed Annuity is issued by The Lincoln National Life Insurance Company, Fort Wayne, IN, 46802 on Form 28866 and state variations thereof. Guarantees are based upon the claims-paying ability of the issuer.
10. With an index fund, there is no assurance that the performance of the fund will track the benchmark. An index is unmanaged and it is not possible to invest directly in an index.
11. When the fund's inception date is less than 10 years, historical performance may not be available. When this is the case, performance has been calculated based on the performance of similar shares of the same fund.
The investment pyramid illustrates the risk and potential return of each broad type of investment asset class. As you move up the pyramid, the investment options within each broad asset class provide an increasing opportunity for higher returns. However, with greater return potential comes greater risk.

Be aware that there are also significant differences in risk and return potential among the different categories within the broad asset classes. Refer to the fund prospectus or disclosure statement, as applicable, for information on the investment objectives and risks involved with a particular investment.

**Investment Types**

- **Mutual Funds**
  Mutual funds pool investments in stocks, bonds, and other investments according to a particular strategy to meet a specific objective.

- **Collective Trusts**
  Collective trusts are similar to mutual funds and invest in stocks and bonds. However, since collective trusts are not registered with the Securities and Exchange Commission, they are not subject to the same fees, expenses and regulatory requirements as mutual funds. Collective trusts are not available in all plans.

**Investment Asset Classes**

- **Company Stock**
  Common stock offers shares of ownership in your company. Company stock is not available in all plans.

- **Stock-based Funds**
  Stocks are shares in the ownership of a company and carry greater risks than bonds. However, historically, stocks have offered the greatest potential for long-term growth.

- **Balanced Funds**
  Balanced funds offer a mix of stocks, bonds, and stable value funds with a specific time and/or risk focus, such as conservative, moderate, or aggressive.

- **Bond-based Funds**
  Bonds are issued by corporations or government agencies. Whereas stocks are shares of ownership in a company, bonds are essentially “loans” by investors to corporations or government agencies. You invest in a bond seeking a return on the amount you put in, plus a fixed rate of interest, paid at some set date.

- **Cash/Stable Value Funds**
  Stable value funds are similar to bonds but hold money for much shorter periods. They offer low investment risk, but with low returns.
Important Investment Information

Performance
The performance data quoted represents past performance; past performance does not guarantee future results. Investment returns and principal value will fluctuate so your account balance, when redeemed, may be worth more or less than your original cost. Current performance may be lower or higher than the performance data quoted. An investor should carefully consider the investment objectives, risks, and charges and expenses of the investment company before investing. Please obtain performance data for the most recent month end by visiting www.morningstar.com and requesting a quote using the appropriate ticker symbol. For the performance of collective trusts, please call 800-234-3500.

Data for mutual fund performance is provided by Morningstar, Inc.

Disclosure Statements
With respect to a mutual fund investment option, an investor should carefully consider the investment objectives, risks, and charges and expenses of the investment company before investing. The prospectus contains this and other important information and should be read carefully before investing or sending money. Investment values will fluctuate with changes in market conditions, so that upon withdrawal, your investment may be worth more or less than the amount originally invested. Prospectuses for any of the mutual funds are available by calling your Lincoln Representative.

Morningstar Information
Expressed in percentage terms, Morningstar's calculation of total return is determined by taking the change in price, reinvesting, if applicable, all income and capital-gains distributions during that month, and dividing by the starting price. Reinvestments are made using the actual reinvestment price, and daily payoffs are reinvested monthly.

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Share Class Information
Letters indicate share class. Class I and R5 shares are available only in employer-sponsored retirement plans. Class Y and Z shares are available in employer-sponsored plans and other limited circumstances. Class A shares are investor class, that is, available to all investors. Unless otherwise indicated, shares are Class I.

Fees and Expenses
Fees and expenses reduce the assets allocated to your investments under the Plan, ultimately lowering the net rate of return. In addition, the fees and expenses of the investment options in your Plan will negatively impact the net rate of return of those investments. Higher fees, of course, will impact the performance of your investments. If the performance for an investment option reports a difference between the gross expense ratio and net expense ratio, please refer to the fund’s prospectus (mutual funds) or disclosure statement (collective investment trust), which may provide an explanation of applicable fee waivers.
## Investment Option Performance

### Stock-based Investments

<table>
<thead>
<tr>
<th>Ticker</th>
<th>Performance as of 12/31/2009</th>
<th>Expense Ratio(%)</th>
<th>Inception Date</th>
<th>Performance as of Quarter Ending 12/31/2009</th>
<th>10 Years of Since Inception**</th>
<th>1 Year</th>
<th>5 Years</th>
<th>10 Years or Since Inception**</th>
<th>Gross</th>
<th>Net</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legg Mason Batteryman Emerging Mkts [J][11,14]</td>
<td>LGFMX</td>
<td>9.90%</td>
<td>76.06%</td>
<td>3.24%</td>
<td>15.21%</td>
<td>Jun-07</td>
<td>76.06%</td>
<td>15.21%</td>
<td>9.91%</td>
<td>1.79</td>
</tr>
<tr>
<td>American Funds EuroPacific Gr R5[5,11]</td>
<td>RERFX</td>
<td>3.46%</td>
<td>39.55%</td>
<td>-0.27%</td>
<td>8.03%</td>
<td>May-02</td>
<td>39.55%</td>
<td>8.03%</td>
<td>3.92%</td>
<td>0.54</td>
</tr>
<tr>
<td>Templeton Foreign A[3]</td>
<td>TEMFX</td>
<td>0.58%</td>
<td>49.73%</td>
<td>-1.82%</td>
<td>4.66%</td>
<td>Oct-82</td>
<td>49.73%</td>
<td>4.66%</td>
<td>4.61%</td>
<td>1.19</td>
</tr>
<tr>
<td>Oppenheimer Global Opportunities A[3]</td>
<td>OPGIX</td>
<td>9.22%</td>
<td>75.79%</td>
<td>1.88%</td>
<td>6.63%</td>
<td>Oct-90</td>
<td>75.79%</td>
<td>6.63%</td>
<td>5.12%</td>
<td>1.18</td>
</tr>
<tr>
<td>Davis Real Estate A[7]</td>
<td>RPFRX</td>
<td>6.62%</td>
<td>31.72%</td>
<td>-15.87%</td>
<td>-2.00%</td>
<td>Jan-94</td>
<td>31.72%</td>
<td>-2.00%</td>
<td>8.83%</td>
<td>1.23</td>
</tr>
<tr>
<td>Vanguard Explorer[8]</td>
<td>VEXPX</td>
<td>4.59%</td>
<td>36.21%</td>
<td>-5.17%</td>
<td>3.35%</td>
<td>Dec-67</td>
<td>36.21%</td>
<td>3.35%</td>
<td>3.35%</td>
<td>0.51</td>
</tr>
<tr>
<td>JPMorgan Small Cap Equity Sel[10,13]</td>
<td>VEIX</td>
<td>2.25%</td>
<td>32.11%</td>
<td>0.03%</td>
<td>6.07%</td>
<td>May-96</td>
<td>32.11%</td>
<td>6.07%</td>
<td>7.71%</td>
<td>1.21</td>
</tr>
<tr>
<td>Morgan Stanley Inst US Sm Cp Value P[14]</td>
<td>MCVAX</td>
<td>3.05%</td>
<td>30.25%</td>
<td>1.80%</td>
<td>5.21%</td>
<td>Dec-69</td>
<td>30.25%</td>
<td>5.21%</td>
<td>5.67%</td>
<td>1.09</td>
</tr>
<tr>
<td>Fidelity Advisor Mid Cap T</td>
<td>FMEX</td>
<td>3.03%</td>
<td>46.48%</td>
<td>-8.61%</td>
<td>-1.37%</td>
<td>Feb-96</td>
<td>46.48%</td>
<td>-1.37%</td>
<td>3.17%</td>
<td>1.25</td>
</tr>
<tr>
<td>American Century Vista Adv</td>
<td>TWAX</td>
<td>4.05%</td>
<td>21.54%</td>
<td>-4.62%</td>
<td>1.04%</td>
<td>Jun-31</td>
<td>21.54%</td>
<td>1.04%</td>
<td>6.20%</td>
<td>0.53</td>
</tr>
<tr>
<td>Columbia Mid Cap Value</td>
<td>NAMAX</td>
<td>5.64%</td>
<td>32.54%</td>
<td>-9.34%</td>
<td>-0.69%</td>
<td>Jan-65</td>
<td>32.54%</td>
<td>-0.69%</td>
<td>5.65%</td>
<td>0.52</td>
</tr>
<tr>
<td>Columbia Strategic Investor Z[4]</td>
<td>CSVFX</td>
<td>6.18%</td>
<td>37.09%</td>
<td>-2.73%</td>
<td>2.52%</td>
<td>Nov-00</td>
<td>37.09%</td>
<td>2.52%</td>
<td>9.95%</td>
<td>1.25</td>
</tr>
<tr>
<td>American Funds Growth Fund of Amer A</td>
<td>AGTHX</td>
<td>5.85%</td>
<td>34.48%</td>
<td>-13.13%</td>
<td>2.87%</td>
<td>Nov-96</td>
<td>34.48%</td>
<td>2.87%</td>
<td>3.71%</td>
<td>1.28</td>
</tr>
<tr>
<td>Janus Balanced J[1]</td>
<td>JABAX</td>
<td>3.73%</td>
<td>24.28%</td>
<td>5.09%</td>
<td>6.70%</td>
<td>Sep-92</td>
<td>24.28%</td>
<td>6.70%</td>
<td>4.03%</td>
<td>0.79</td>
</tr>
<tr>
<td>Dodge &amp; Cox Balanced[3]</td>
<td>DOBX</td>
<td>3.82%</td>
<td>28.37%</td>
<td>-4.62%</td>
<td>1.04%</td>
<td>Jun-31</td>
<td>28.37%</td>
<td>1.04%</td>
<td>6.20%</td>
<td>0.53</td>
</tr>
</tbody>
</table>

### Balanced-based Investments

<table>
<thead>
<tr>
<th>Ticker</th>
<th>Performance as of 12/31/2009</th>
<th>Expense Ratio(%)</th>
<th>Inception Date</th>
<th>Performance as of Quarter Ending 12/31/2009</th>
<th>10 Years of Since Inception**</th>
<th>1 Year</th>
<th>5 Years</th>
<th>10 Years or Since Inception**</th>
<th>Gross</th>
<th>Net</th>
</tr>
</thead>
<tbody>
<tr>
<td>Janus Balanced J[1]</td>
<td>JABAX</td>
<td>3.73%</td>
<td>24.28%</td>
<td>5.09%</td>
<td>6.70%</td>
<td>Sep-92</td>
<td>24.28%</td>
<td>6.70%</td>
<td>4.03%</td>
<td>0.79</td>
</tr>
<tr>
<td>Dodge &amp; Cox Balanced[3]</td>
<td>DOBX</td>
<td>3.82%</td>
<td>28.37%</td>
<td>-4.62%</td>
<td>1.04%</td>
<td>Jun-31</td>
<td>28.37%</td>
<td>1.04%</td>
<td>6.20%</td>
<td>0.53</td>
</tr>
</tbody>
</table>

### Bond-based Investments

<table>
<thead>
<tr>
<th>Ticker</th>
<th>Performance as of 12/31/2009</th>
<th>Expense Ratio(%)</th>
<th>Inception Date</th>
<th>Performance as of Quarter Ending 12/31/2009</th>
<th>10 Years of Since Inception**</th>
<th>1 Year</th>
<th>5 Years</th>
<th>10 Years or Since Inception**</th>
<th>Gross</th>
<th>Net</th>
</tr>
</thead>
<tbody>
<tr>
<td>Artio Global High Income A[2,12]</td>
<td>BJHX</td>
<td>5.07%</td>
<td>54.56%</td>
<td>6.87%</td>
<td>7.22%</td>
<td>Dec-02</td>
<td>54.56%</td>
<td>7.22%</td>
<td>10.33%</td>
<td>1.06</td>
</tr>
<tr>
<td>AllianceBern Global Bond A[5,15]</td>
<td>ANAGX</td>
<td>2.09%</td>
<td>23.96%</td>
<td>6.75%</td>
<td>7.30%</td>
<td>Mar-92</td>
<td>23.96%</td>
<td>7.30%</td>
<td>8.69%</td>
<td>1.15</td>
</tr>
<tr>
<td>PIMCO Total Return A[1]</td>
<td>PTTAX</td>
<td>0.88%</td>
<td>13.33%</td>
<td>8.68%</td>
<td>6.35%</td>
<td>Jan-97</td>
<td>13.33%</td>
<td>6.35%</td>
<td>7.15%</td>
<td>1.08</td>
</tr>
<tr>
<td>Columbia Intermediate Bond Z[1]</td>
<td>SRBFX</td>
<td>2.08%</td>
<td>19.11%</td>
<td>5.49%</td>
<td>4.69%</td>
<td>Dec-83</td>
<td>19.11%</td>
<td>4.69%</td>
<td>6.34%</td>
<td>0.64</td>
</tr>
</tbody>
</table>

### Cash and Stable Value Investments

<table>
<thead>
<tr>
<th>Ticker</th>
<th>Performance as of 12/31/2009</th>
<th>Expense Ratio(%)</th>
<th>Inception Date</th>
<th>Performance as of Quarter Ending 12/31/2009</th>
<th>10 Years of Since Inception**</th>
<th>1 Year</th>
<th>5 Years</th>
<th>10 Years or Since Inception**</th>
<th>Gross</th>
<th>Net</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lincoln Fixed Annuity[9]</td>
<td>---</td>
<td>0.74%</td>
<td>3.06%</td>
<td>3.52%</td>
<td>3.43%</td>
<td>May-83</td>
<td>3.60%</td>
<td>3.43%</td>
<td>4.19%</td>
<td>---</td>
</tr>
</tbody>
</table>

**Average annual total return for period specified or since inception if the fund's age is less than the number of years shown.

1 Bond funds are less volatile than stock funds, but experience higher volatility and increased credit risk when compared to other fixed income investments.
2 High yield bonds experience higher volatility and increased credit risk when compared to other fixed income investments.
3 Funds that diversify across asset classes generally have the same, but reduced, risks relative to the underlying asset classes.
4 Small-cap stocks may be riskier than stocks from more established companies. Small-cap investments may not be readily converted into cash. This may affect their value so that shares, when redeemed, may be worth more or less than what they originally cost.
5 International investing involves special risks not found in domestic investing, including increased political, social, economic and currency instability.
6 Investing in emerging markets can be riskier than investing in well-established foreign markets. International investing involves special risks not found in domestic investing, including increased political, social, economic and currency instability.
7 There are special risk factors associated with REITs, such as interest rate risk and the illiquidity of the real estate market. Shares, when redeemed, may be worth more or less than the original amount invested.
Social Awareness funds only invest in companies that meet socially responsible criteria, so exposure to certain industry sectors may be greater or less than similar funds or market indexes, and thereby may lead to performance differences.

The Lincoln Fixed Annuity is issued by The Lincoln National Life Insurance Company, Fort Wayne, IN, 46802 on Form 28866 and state variations thereof. Guarantees are based upon the claims-paying ability of the issuer.

With an index fund, there is no assurance that the performance of the fund will track the benchmark. An index is unmanaged and it is not possible to invest directly in an index.

When the fund's inception date is less than 10 years, historical performance may not be available. When this is the case, performance has been calculated based on the performance of similar shares of the same fund.

The difference between the gross and net expense ratios is due to a contractual waiver that is set to expire on February 27, 2010.

The difference between the gross and net expense ratios is due to a contractual waiver that is set to expire on October 31, 2010.

The difference between the gross and net expense ratios is due to a voluntary waiver that will expire at the fund’s discretion.

The difference between the gross and net expense ratios is due to a contractual waiver that is set to expire on September 30, 2009.
Legg Mason Batterymarch Emerging Mkts FI
Ticker: LGFX

**Investment Objective**
The trust seeks long-term capital appreciation.

**Investment Strategy**
The fund's adviser, under normal circumstances, will invest substantially all of its net assets in equity securities and convertible securities of emerging market issuers. The fund intends to invest in Asia, Latin America, the Indian Subcontinent, Southern and Eastern Europe, the Middle East and Africa, although it might not invest in all these markets at all times and might not invest in any particular market when it deems investment in that country or region to be inadvisable.

**General Information**
- **Expense Ratio:** 1.50%
- **Inception Date:** 1996
- **Fund Manager:** David W. Lazenby
- **Managed Fund Since:** 1996
- **Fund Phone Number:** 888-425-6432
- **Fund Website:** www.leggmason.com

**Top 5 Holdings (as of 09/30/2009)**
- Petroleo Brasileiro S.A.: 3.53%
- Samsung Electronics: 3.44%
- Vale S.A.: 2.72%
- Lukoil Company ADR: 1.59%
- China Mobile Ltd.: 1.57%

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American Funds EuroPacific Gr R5
Ticker: RERFX

**Investment Objective**
The fund seeks to provide you with long-term growth of capital.

**Investment Strategy**
Normally, the fund will invest at least 80% of its assets in securities of issuers located in Europe and the Pacific Basin. The fund may also hold cash, money market instruments and fixed-income securities. The percentage of the fund invested in such holdings varies and depends on various factors, including market conditions and purchases and redemptions of fund shares. For temporary defensive purposes, the fund may hold a significant portion of its assets in such securities.

**General Information**
- **Expense Ratio:** 0.54%
- **Inception Date:** 05/15/2002
- **Fund Manager:** Team Managed
- **Managed Fund Since:**
- **Fund Phone Number:** 800-421-0180
- **Fund Website:** www.americanfunds.com

**Top 5 Holdings (as of 09/30/2009)**
- Bayer AG: 2.64%
- America Movil S.A.B. de C.V. ADR L: 2.25%
- Anheuser-Busch InBev SA: 2.05%
- Roche Holding AG: 1.92%
- Banco Santander SA: 1.89%

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Be aware that there are significant differences in risk among investment asset classes. Investment option values will fluctuate so that, when redeemed, they may be worth more or less than their original cost. Refer to the fund’s prospectus or disclosure statement, as applicable, for more information on the risks and expenses involved with a particular investment.
Templeton Foreign A
Ticker: TEMFX

**Investment Objective**
The fund seeks long-term capital growth.

**Investment Strategy**
Under normal market conditions, the fund invests primarily in the equity securities of companies located outside the U.S., including emerging markets. The fund will invest, under normal circumstances, at least 80% of its net assets in “foreign securities,” which may include emerging markets.

**General Information**
Expense Ratio: 1.19%
Inception Date: 10/05/1982
Fund Manager: Tucker Scott
Managed Fund Since: 2007
Fund Phone Number: 800-342-5236
Fund Website: www.franklintempleton.com

**Top 5 Holdings**
1. ING Groep N.V. 3.67%
2. Vodafone Group PLC 2.84%
3. Adecco SA 2.21%
4. Taiwan Semiconductor Manufacturing 2.17%
5. Samsung Electronics 2.15%

Oppenheimer Global Opportunities A
Ticker: OPGIX

**Investment Objective**
The fund seeks capital appreciation consistent with preservation of principal, while providing current income.

**Investment Strategy**
The fund invests mainly in equity securities of issuers in the U.S. and foreign countries. Currently, the fund emphasizes its investments in equities, but it may also invest in debt securities. The fund is not required to invest any set percentage of its assets to seek capital appreciation or income. The fund can invest in any country, including developed or emerging markets, but currently emphasizes investments in developed markets.

**General Information**
Expense Ratio: 1.18%
Inception Date: 10/22/1990
Fund Manager: Frank Jennings
Managed Fund Since: 1995
Fund Phone Number: 800-225-5677
Fund Website: www.oppenheimerfunds.com

**Top 5 Holdings**
1. Advanced Micro Devices 8.58%
2. Nektar Therapeutics, Inc. 6.80%
3. Oppenheimer Institutional Money Market E 5.30%
4. Autonomy Corporation PLC 3.05%
5. Rambus, Inc. 2.96%

Be aware that there are significant differences in risk among investment asset classes. Investment option values will fluctuate so that, when redeemed, they may be worth more or less than their original cost. Refer to the fund’s prospectus or disclosure statement, as applicable, for more information on the risks and expenses involved with a particular investment.
Oppenheimer Global A
Ticker: OPPAX

Investment Objective
The fund seeks capital appreciation.

Investment Strategy
The fund invests mainly in common stocks of U.S. and foreign companies. The fund can invest without limit in foreign securities and can invest in any country, including countries with developed or emerging markets. However, the fund currently emphasizes its investments in developed markets such as the United States, Western European countries and Japan. As a fundamental policy, the fund normally will invest in at least three countries (one of which may be the United States).

General Information
- Expense Ratio: 1.09%
- Inception Date: 12/22/1969
- Fund Manager: Rajeev Bhaman
- Managed Fund Since: 2004
- Fund Phone Number: 800-225-5677
- Fund Website: www.oppenheimerfunds.com

Top 5 Holdings (as of 09/30/2009)
- Ericsson Telephone Company: 4.10%
- Siemens AG: 2.53%
- Roche Holding AG: 2.40%
- Credit Suisse Grp: 2.37%
- Juniper Networks, Inc.: 2.26%

Davis Real Estate A
Ticker: RPFRX

Investment Objective
The fund seeks total return through a combination of growth and income.

Investment Strategy
The adviser invests at least 80% of the fund's net assets, plus any borrowing for investment purposes, in equity, convertible, and debt securities issued by companies principally engaged in the real estate industry. The fund has the flexibility to invest up to 20% of its assets in non-real estate companies. The fund may invest in companies of any size, invest in companies whose shares may be subject to controversy, invest in foreign securities, and invest in non-equity securities.

General Information
- Expense Ratio: 1.23%
- Inception Date: 01/03/1994
- Fund Manager: Team Managed
- Managed Fund Since: 2004
- Fund Phone Number: 800-279-0279
- Fund Website: www.davisfunds.com

Top 5 Holdings (as of 09/30/2009)
- Corporate Office Properties Trust, Inc.: 5.81%
- Taubman Centers, Inc.: 5.59%
- Ventas, Inc.: 5.43%
- American Campus Communities, Inc.: 5.30%
- Forest City Enterprises, Inc. A: 5.18%

Be aware that there are significant differences in risk among investment asset classes. Investment option values will fluctuate so that, when redeemed, they may be worth more or less than their original cost. Refer to the fund’s prospectus or disclosure statement, as applicable, for more information on the risks and expenses involved with a particular investment.
Vanguard Explorer
Ticker: VEXPX

Investment Objective
The fund seeks to provide long-term capital appreciation.

Investment Strategy
The fund invests mainly in the stocks of small companies. These companies tend to be unseasoned but are considered by the fund's advisors to have superior growth potential. Also, these companies often provide little or no dividend income. The fund uses multiple investment advisors. Although the fund typically does not make significant investments in foreign securities, it reserves the right to invest up to 25% of its assets this way.

General Information
- Expense Ratio: 0.51%
- Inception Date: 12/11/1967
- Fund Manager: Team Managed
- Managed Fund Since: 
- Fund Phone Number: 800-662-7447
- Fund Website: www.vanguard.com

Top 5 Holdings (as of 09/30/2009)
- CMT Market Liquidity Rate 3.97%
- Polycom, Inc. 0.83%
- Alliance Data Systems Corporation 0.78%
- Vanguard Small Cap ETF 0.76%
- ON Semiconductor Corporation 0.71%

JPMorgan Small Cap Equity Sel
Ticker: VSEIX

Investment Objective
The fund seeks capital growth over the long term.

Investment Strategy
Under normal circumstances, the fund invests at least 80% of its assets in equity securities of small cap companies. Small cap companies are companies with market capitalizations equal to those within the universe of the Russell 2000 Index stocks at the time of purchase. As of September 30, 2009, the market capitalizations of the companies in the Russell 2000 Index ranged from $14 million to $3.6 billion.

General Information
- Expense Ratio: 1.02%
- Inception Date: 01/08/1996
- Fund Manager: Glenn Gawronski
- Managed Fund Since: 2004
- Fund Phone Number: 800-480-4111
- Fund Website: www.jpmorganfunds.com

Top 5 Holdings (as of 11/30/2009)
- JPMorgan Prime Money Market Inst 4.91%
- ProAssurance Corporation 2.99%
- Silgan Holdings, Inc. 2.53%
- Jarden Corporation 2.52%
- Transdigm Group, Inc. 2.04%

Be aware that there are significant differences in risk among investment asset classes. Investment option values will fluctuate so that, when redeemed, they may be worth more or less than their original cost. Refer to the fund’s prospectus or disclosure statement, as applicable, for more information on the risks and expenses involved with a particular investment.
Morgan Stanley Inst US Sm Cp Value P
Ticker: MCVAX

**Investment Objective**
The portfolio seeks above-average total return over a market cycle of three to five years.

**Investment Strategy**
Under normal circumstances, at least 80% of the portfolio's assets will be invested in common stocks of small cap companies traded on a U.S. securities exchange. Under current market conditions, the adviser considers a company to be a small cap company if it has a total market capitalization at the time of purchase of $100 million to $2 billion or the high end of the range of companies represented in the Russell 2000 Value Index. It may invest up to 10% of its assets in REITs.

**General Information**
- Expense Ratio: 1.10%
- Inception Date: 01/22/1999
- Fund Manager: Richard Glass
- Managed Fund Since: 2003
- Fund Phone Number: 800-354-7786
- Fund Website: www.morganstanley.com

**Top 5 Holdings** (as of 11/30/2009)
- Maximus, Inc. 4.20%
- Healthsouth Corporation 3.37%
- AAR Corporation 2.64%
- Perrigo Company 2.54%
- Zep, Inc. 2.53%

Be aware that there are significant differences in risk among investment asset classes. Investment option values will fluctuate so that, when redeemed, they may be worth more or less than their original cost. Refer to the fund’s prospectus or disclosure statement, as applicable, for more information on the risks and expenses involved with a particular investment.

Fidelity Advisor Mid Cap T
Ticker: FMCAX

**Investment Objective**
The fund seeks long-term growth of capital.

**Investment Strategy**
The management company's principal investment strategies include: normally investing primarily in common stocks; and normally investing at least 80% of assets in securities of companies with medium market capitalizations (which, for purposes of this fund, are those companies with market capitalizations similar to companies in the Russell Midcap Index or the Standard & Poor's MidCap 400 Index (S&P MidCap 400)).

**General Information**
- Expense Ratio: 1.28%
- Inception Date: 02/20/1996
- Fund Manager: Peter Saperstone
- Managed Fund Since: 2001
- Fund Phone Number: 877-208-0098
- Fund Website: www.advisor.fidelity.com

**Top 5 Holdings** (as of 11/30/2009)
- DeVry, Inc. 4.05%
- Fiserv, Inc. 3.51%
- CSX Corporation 3.28%
- Edwards Lifesciences Corporation 2.72%
- Harman International Industries, Inc. 2.65%

Be aware that there are significant differences in risk among investment asset classes. Investment option values will fluctuate so that, when redeemed, they may be worth more or less than their original cost. Refer to the fund’s prospectus or disclosure statement, as applicable, for more information on the risks and expenses involved with a particular investment.
American Century Vista Adv
Ticker: TWVAX

Investment Objective
The fund seeks long-term capital growth.

Investment Strategy
The portfolio managers primarily look for stocks of medium-sized and smaller companies they believe will increase in value over time, using an investment strategy developed by the management company. In implementing this strategy, the portfolio managers make their investment decisions based primarily on their analysis of individual companies, rather than on broad economic forecasts.

General Information
Expense Ratio: 1.25%
Inception Date: 10/02/1996
Fund Manager: Bradley J. Eixmann
Managed Fund Since: 2002
Fund Phone Number: 800-345-2021
Fund Website: www.americancentury.com

Top 5 Holdings (as of 09/30/2009)
- SBA Communications Corporation 2.50%
- Jefferies Group, Inc. 2.42%
- Express Scripts 2.25%
- Lazard, Ltd. 2.22%
- ASML Holding NV 2.07%

Columbia Mid Cap Value Z
Ticker: NAMAX

Investment Objective
The fund seeks long-term capital appreciation.

Investment Strategy
The fund invests at least 80% of its net assets in equity securities of companies that have market capitalizations in the range of the companies in the Russell Midcap Value Index at the time of purchase (between $10 million and $16.5 billion as of May 31, 2009), that the advisor believes are undervalued and have the potential for long-term growth. The fund may invest up to 20% of its total assets in foreign securities. The fund also may invest in real estate investment trusts.

General Information
Expense Ratio: 0.92%
Inception Date: 11/20/2001
Fund Manager: Team Managed
Managed Fund Since: 2002
Fund Phone Number: 800-345-6611
Fund Website: www.columbiafunds.com

Top 5 Holdings (as of 10/31/2009)
- Reinsurance Group of America 2.09%
- Ameriprise Financial, Inc. 2.05%
- J.C. Penney Company, Inc. 1.99%
- Williams Companies, Inc. 1.68%
- Sempra Energy 1.64%

Be aware that there are significant differences in risk among investment asset classes. Investment option values will fluctuate so that, when redeemed, they may be worth more or less than their original cost. Refer to the fund’s prospectus or disclosure statement, as applicable, for more information on the risks and expenses involved with a particular investment.
Columbia Strategic Investor Z

Ticker: CSVFX

Investment Objective
The fund seeks long-term growth of capital by using a "value" approach to invest primarily in common stocks.

Investment Strategy
Under normal circumstances, the fund invests primarily in common stocks of companies that the advisor believes are attractively valued and have the potential for long-term growth. The fund may invest in companies that have market capitalizations of any size and may invest a significant amount of its assets in smaller companies. The fund may invest up to 33% of total assets in foreign securities, including securities of companies in emerging market countries.

General Information
- Expense Ratio: 1.00%
- Inception Date: 11/09/2000
- Fund Manager: Emil A. Gjester
- Managed Fund Since: 2002
- Fund Phone Number: 800-345-6611
- Fund Website: www.columbiafunds.com

Top 5 Holdings (as of 08/31/2009)
- Microsoft Corporation 2.55%
- J.P. Morgan Chase & Co. 2.47%
- Wells Fargo Company 2.14%
- Apple, Inc. 2.02%
- ExxonMobil Corporation 1.86%

American Funds Growth Fund of Amer A

Ticker: AGTHX

Investment Objective
The fund seeks to provide you with growth of capital.

Investment Strategy
The fund invests primarily in common stocks and seeks to invest in companies that appear to offer superior opportunities for growth of capital. The fund may also hold cash or money market instruments. The percentage of the fund invested in such holdings varies and depends on various factors, including market conditions and purchases and redemptions of fund shares. For temporary defensive purposes, the fund may hold a significant portion of its assets in such securities.

General Information
- Expense Ratio: 0.76%
- Inception Date: 12/01/1973
- Fund Manager: Team Managed
- Managed Fund Since:
- Fund Phone Number: 800-421-0180
- Fund Website: www.americanfunds.com

Top 5 Holdings (as of 09/30/2009)
- Microsoft Corporation 3.49%
- Google, Inc. 3.06%
- Oracle Corporation 2.53%
- Apple, Inc. 2.04%
- Cisco Systems, Inc. 1.80%

Be aware that there are significant differences in risk among investment asset classes. Investment option values will fluctuate so that, when redeemed, they may be worth more or less than their original cost. Refer to the fund’s prospectus or disclosure statement, as applicable, for more information on the risks and expenses involved with a particular investment.
Vanguard 500 Index Investor

Ticker: VFINX

Investment Objective
The fund seeks to track the performance of a benchmark index that measures the investment return of large-capitalization stocks.

Investment Strategy
The fund employs a "passive management"--or indexing--investment approach designed to track the performance of the Standard & Poor's 500 Index, a widely recognized benchmark of U.S. stock market performance that is dominated by the stocks of large U.S. companies. The fund attempts to replicate the target index by investing all, or substantially all, of its assets in the stocks that make up the Index, holding each stock in approximately the same proportion as its weighting in the Index.

General Information
Expense Ratio: 0.18%
Inception Date: 08/31/1976
Fund Manager: Michael H. Buek
Managed Fund Since: 1991
Fund Phone Number: 800-662-7447
Fund Website: www.vanguard.com

Top 5 Holdings (as of 09/30/2009)
ExxonMobil Corporation 3.51%
Microsoft Corporation 2.14%
General Electric Company 1.86%
J.P. Morgan Chase & Co. 1.84%
Procter & Gamble Company 1.80%

Neuberger Berman Socially Resp Tr

Ticker: NBSTX

Investment Objective
The fund seeks long-term growth of capital by investing primarily in securities of companies that meet the fund's financial criteria and social policy.

Investment Strategy
To pursue its goal, the fund invests primarily in common stocks of mid- to large-capitalization companies. The fund seeks to reduce risk by investing across many different industries. The portfolio managers employ a research driven and valuation sensitive approach to stock selection. They look for solid balance sheets, strong management teams with a track record of success, good cash flow and the prospect for above average earnings growth.

General Information
Expense Ratio: 1.13%
Inception Date: 12/15/2000
Fund Manager: Team Managed
Managed Fund Since: 1991
Fund Phone Number: 800-877-9700
Fund Website: www.nb.com

Top 5 Holdings (as of 10/31/2009)
Intuit 5.37%
Scripps Networks Interactive, Inc. 5.21%
Danaher Corporation 5.17%
Altera Corp. 5.05%
Washington Post Company 5.03%

Be aware that there are significant differences in risk among investment asset classes. Investment option values will fluctuate so that, when redeemed, they may be worth more or less than their original cost. Refer to the fund’s prospectus or disclosure statement, as applicable, for more information on the risks and expenses involved with a particular investment.
Dodge & Cox Stock

Investment Objective
The fund seeks long-term growth of principal and income. A secondary objective is to achieve a reasonable current income.

Investment Strategy
The fund invests primarily in a broadly diversified portfolio of common stocks. In selecting investments, the fund invests primarily in companies that, in the management company's opinion, appear to be temporarily undervalued by the stock market but have a favorable outlook for long-term growth. The fund focuses on the underlying financial condition and prospects of individual companies, including future earnings, cash flow, and dividends.

General Information
Expense Ratio: 0.52%
Inception Date: 01/04/1965
Fund Manager: Team Managed
Managed Fund Since: 
Fund Phone Number: 800-621-3979
Fund Website: www.dodgeandcox.com

Top 5 Holdings (as of 09/30/2009)
- Hewlett-Packard Company 4.78%
- Schlumberger, Ltd. 3.47%
- Novartis AG ADR 3.29%
- Comcast Corporation A 3.24%
- General Electric Company 3.20%

American Funds Washington Mutual R5

Investment Objective
The fund seeks to produce income and to provide an opportunity for growth of principal consistent with sound common stock investing.

Investment Strategy
The fund strives to accomplish its objective through fundamental research, careful selection and broad diversification. In the selection of common stocks and other securities for investment, current and potential yield as well as the potential for long-term capital appreciation are considered. The fund seeks to provide an above-average yield in its quarterly income distribution in relation to Standard & Poor's 500 Composite Index (a broad, unmanaged index).

General Information
Expense Ratio: 0.39%
Inception Date: 05/15/2002
Fund Manager: Team Managed
Managed Fund Since: 
Fund Phone Number: 800-421-0180
Fund Website: www.americanfunds.com

Top 5 Holdings (as of 09/30/2009)
- Chevron Corporation 4.89%
- AT&T, Inc. 3.94%
- Verizon Communications Inc. 3.76%
- Royal Dutch Shell PLC ADR B 3.64%
- Merck & Co., Inc. 3.24%

Be aware that there are significant differences in risk among investment asset classes. Investment option values will fluctuate so that, when redeemed, they may be worth more or less than their original cost. Refer to the fund’s prospectus or disclosure statement, as applicable, for more information on the risks and expenses involved with a particular investment.
Janus Balanced J

Investment Objective
The fund seeks long-term capital growth, consistent with preservation of capital and balanced by current income.

Investment Strategy
The fund pursues its objective by normally investing 50-60% of its assets in equity securities selected primarily for their growth potential and 40-50% of its assets in securities selected primarily for their income potential. It normally invests at least 25% of its assets in fixed-income senior securities. Fixed-income securities may include corporate debt securities, U.S. government obligations, mortgage-backed securities and other mortgage-related products, and short-term securities.

Top 5 Holdings (as of 09/30/2009)
- EnCana Corporation: 2.12%
- Apple, Inc.: 2.04%
- Reckitt Benck Grp: 2.00%
- Philip Morris International Inc: 1.91%
- Morgan Stanley: 1.86%

General Information
- Expense Ratio: 0.79%
- Inception Date: 09/01/1992
- Fund Manager: Team Managed
- Fund Website: www.janus.com

Dodge & Cox Balanced

Investment Objective
The fund seeks regular income, conservation of principal, and an opportunity for long-term growth of principal and income.

Investment Strategy
The fund invests in a diversified portfolio of common stocks, preferred stocks, and fixed-income securities. While the mix of equity and fixed-income securities will vary depending on investment manager's outlook on the markets, no more than 75% of total assets will be invested in common stocks, preferred stocks and that portion of the value of convertible securities attributable to the conversion right.

Top 5 Holdings (as of 09/30/2009)
- Hewlett-Packard Company: 3.79%
- Novartis AG ADR: 2.52%
- Wells Fargo Company: 2.44%
- Motorola, Inc.: 2.40%
- Schlumberger, Ltd.: 2.38%

General Information
- Expense Ratio: 0.53%
- Inception Date: 06/26/1931
- Fund Manager: Team Managed
- Fund Website: www.dodgeandcox.com

Be aware that there are significant differences in risk among investment asset classes. Investment option values will fluctuate so that, when redeemed, they may be worth more or less than their original cost. Refer to the fund’s prospectus or disclosure statement, as applicable, for more information on the risks and expenses involved with a particular investment.
Artio Global High Income A
Ticker: BJBHX

Investment Objective
The fund seeks to maximize total return, principally through a high level of current income, and secondarily through capital appreciation.

Investment Strategy
The fund normally invests at least 80% of its net assets (including futures, options, swaps, other high income related instruments, accrued interest and borrowings for investment purposes) in a diversified portfolio of high income producing instruments of issuers located throughout the world, including in emerging market countries. It normally invests at least 60% of its net assets in U.S. dollar-denominated securities. It invests in derivatives for hedging and non-hedging purposes.

General Information
Expense Ratio: 1.00%
Inception Date: 12/17/2002
Fund Manager: Greg Hopper
Managed Fund Since: 2002
Fund Phone Number: 800-387-6977
Fund Website: www.artiofunds.com

Top 5 Holdings (as of 10/31/2009)
99s04a7m1 Cds Usd P F .00000 2.16%
99s04a7m1 Cds Usd R F 5.00000 2.06%
99s04acv5 Cds Usd P F .00000 1.94%
Intelsat Bermuda 144A 1.92%
99s04acv5 Cds Usd R F 5.00000 1.85%

AllianceBern Global Bond A
Ticker: ANAGX

Investment Objective
The fund seeks to generate current income consistent with preservation of capital.

Investment Strategy
The fund invests in a portfolio of fixed-income securities of U.S. and non-U.S. companies and U.S. Government and non-U.S. government securities and supranational entities, including lower-rated securities. It typically maintains at least 50% of its net assets in investment grade securities. It may invest up to 50% of its net assets in corporate high yield fixed-income securities, sovereign debt obligations and fixed-income securities of issuers located in emerging markets.

General Information
Expense Ratio: 0.90%
Inception Date: 03/27/1992
Fund Manager: Team Managed
Managed Fund Since: 2002
Fund Phone Number: 800-221-5672
Fund Website: www.AllianceBernstein.com

Top 5 Holdings (as of 11/30/2009)
US Treasury Bond 8.125% 9.16%
European Invest Bk 1.4% 3.44%
France(Govt Of) 5.75% 3.03%
Germany (Federal Republic Of) 3.75% 2.92%
Canada Govt 2% 2.62%

Be aware that there are significant differences in risk among investment asset classes. Investment option values will fluctuate so that, when redeemed, they may be worth more or less than their original cost. Refer to the fund’s prospectus or disclosure statement, as applicable, for more information on the risks and expenses involved with a particular investment.
**PIMCO Total Return A**

**Ticker:** PTTAX

**Investment Objective**
The fund seeks maximum total return, consistent with preservation of capital and prudent investment management.

**Investment Strategy**
The fund seeks to achieve its investment objective by investing under normal circumstances at least 65% of its total assets in a diversified portfolio of Fixed Income Instruments of varying maturities, which may be represented by forwards or derivatives such as options, futures contracts, or swap agreements. "Fixed Income Instruments" include bonds, debt securities and other similar instruments issued by various U.S. and non-U.S. public- or private-sector entities.

**General Information**
- **Expense Ratio:** 0.90%
- **Inception Date:** 01/13/1997
- **Fund Manager:** William H. Gross
- **Managed Fund Since:** 1987
- **Fund Phone Number:** 800-426-0107
- **Fund Website:** www.allianzinvestors.com

**Top 5 Holdings** (as of 06/30/2009)
- FNMA 9.55%
- Irs Usd R 3ml/3.0 02/04/09 Brc 4.71%
- FNMA 4.65%
- FNMA 4.47%
- Irs Usd R 3ml/3.0 02/04/09 Ryl 3.97%

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**Columbia Intermediate Bond Z**

**Ticker:** SRBFX

**Investment Objective**
The fund seeks total return, consisting of current income and capital appreciation.

**Investment Strategy**
The fund may invest up to 20% of net assets in securities that, at the time of purchase, are below investment grade securities or in unrated securities determined by the advisor to be of comparable quality. The fund also may invest in derivatives, including futures, forwards, options, swap contracts and other derivative instruments.

**General Information**
- **Expense Ratio:** 0.64%
- **Inception Date:** 12/05/1978
- **Fund Manager:** Carl W. Pappo
- **Managed Fund Since:** 2005
- **Fund Phone Number:** 800-345-6611
- **Fund Website:** www.columbiafunds.com

**Top 5 Holdings** (as of 09/30/2009)
- US Treasury Bond (Fut) 8.85%
- US Treasury Bond (Fut) 3.73%
- FNMA 5% 3.42%
- FNMA 5% 3.15%
- United States Tres Nts 3.625% 2.95%

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Be aware that there are significant differences in risk among investment asset classes. Investment option values will fluctuate so that, when redeemed, they may be worth more or less than their original cost. Refer to the fund’s prospectus or disclosure statement, as applicable, for more information on the risks and expenses involved with a particular investment.
Lincoln Fixed Annuity

Ticker: N/A

Investment Objective
The Lincoln Fixed Annuity is managed to earn a competitive interest rate without risking a loss of principal.

Current Fixed Rate
Money deposited into the Lincoln Fixed Annuity during this quarter will earn interest at the rate of 3.00% for the remainder of the quarter and the following three quarters. At the end of the guarantee period, these deposits and the accumulated interest will be credited with the portfolio rate in effect at that time. The portfolio rate for this quarter is 3.10%.

General Information
| Inception Date: | 05/01/1983 |
| Fund Manager:   | Delaware Investment Advisors |
| Fund Phone Number | 800-234-3500 |

Allocation (as of 09/30/2009)
- Investment grade publics and U.S. Government: 68.54%
- Privates, non-investment grade publics & other: 17.95%
- Mortgage Loans: 10.47%
- Cash: 2.58%
- Stock and Real Estate: 0.46%

During certain periods of rising interest rates, this investment option may impose a 20% restriction on transfers and withdrawals.

This space intentionally left blank.
Take the guesswork out of fund selection.

These LifeSpan® asset allocation models use investment options in your retirement plan. For risk-based asset allocation, you determine your risk profile with a brief Investor Profile Quiz.

**Investor Profile Quiz**

1. **When do you plan to retire?**

<table>
<thead>
<tr>
<th>Within 5 years</th>
<th>6–10 years</th>
<th>11–15 years</th>
<th>15+ years</th>
</tr>
</thead>
<tbody>
<tr>
<td>4 points</td>
<td>10 points</td>
<td>15 points</td>
<td>20 points</td>
</tr>
</tbody>
</table>

2. **How much money do you have in savings for major expenses and emergencies?**

<table>
<thead>
<tr>
<th>I do not have any savings.</th>
<th>I have some savings.</th>
<th>I have adequate savings.</th>
<th>I have substantial savings.</th>
</tr>
</thead>
<tbody>
<tr>
<td>4 points</td>
<td>8 points</td>
<td>12 points</td>
<td>17 points</td>
</tr>
</tbody>
</table>

3. **What would you do if one of your investments dropped – for example, from $1,000 to $850 (15%) – in one month?**

<table>
<thead>
<tr>
<th>Immediately sell my investment!</th>
<th>Cautiously wait. Sell if it continues to drop.</th>
<th>Hold. I’m invested for the long term.</th>
<th>It’s an opportunity! I’d deposit more money into this investment.</th>
</tr>
</thead>
<tbody>
<tr>
<td>4 points</td>
<td>7 points</td>
<td>12 points</td>
<td>17 points</td>
</tr>
</tbody>
</table>

Your score may help you determine your investor risk profile, but should not be your only measurement when planning your investment mix.

**Investor Profile Score: ________**
LifeSpan® Asset Allocation Models

Find your Investor Profile Quiz score below to help you select the model that best aligns with your risk tolerance. These asset allocation models have been developed by an independent investment consultant.

<table>
<thead>
<tr>
<th>Under 29 points</th>
<th>29-45 points</th>
<th>Over 45 points</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Conservative</strong></td>
<td><strong>Moderate</strong></td>
<td><strong>Aggressive</strong></td>
</tr>
</tbody>
</table>

### Stable Value Investments

<table>
<thead>
<tr>
<th>Under 29 points</th>
<th>29-45 points</th>
<th>Over 45 points</th>
</tr>
</thead>
<tbody>
<tr>
<td>50% Lincoln Fixed Annuity</td>
<td>30% Lincoln Fixed Annuity</td>
<td>10% Lincoln Fixed Annuity</td>
</tr>
</tbody>
</table>

### Bond-based Funds

<table>
<thead>
<tr>
<th>Under 29 points</th>
<th>29-45 points</th>
<th>Over 45 points</th>
</tr>
</thead>
<tbody>
<tr>
<td>12% Columbia Intermediate Bond Z</td>
<td>2% AllianceBernstein Globl Bond In A</td>
<td>2% AllianceBernstein Globl Bond In A</td>
</tr>
<tr>
<td>13% PIMCO Total Return A</td>
<td>9% Columbia Intermediate Bond Z</td>
<td>9% Columbia Intermediate Bond Z</td>
</tr>
</tbody>
</table>

### Stock-based Funds

<table>
<thead>
<tr>
<th>Under 29 points</th>
<th>29-45 points</th>
<th>Over 45 points</th>
</tr>
</thead>
<tbody>
<tr>
<td>5% American Funds EuroPacific Gr R5</td>
<td>2% American Century Vista Adv</td>
<td>4% American Century Vista Adv</td>
</tr>
<tr>
<td>5% Dodge &amp; Cox Stock</td>
<td>5% American Funds EuroPacific Gr R5</td>
<td>5% American Funds EuroPacific Gr R5</td>
</tr>
<tr>
<td>10% Janus Balanced</td>
<td>10% American Funds Grth Fund of Amer A</td>
<td>15% American Funds Grth Fund of Amer A</td>
</tr>
<tr>
<td>5% Vanguard 500 Index</td>
<td>5% American Funds Washington Mutual R5</td>
<td>7% American Funds Washington Mutual R5</td>
</tr>
<tr>
<td>2% Columbia Mid Cap Value Z</td>
<td>2% Columbia Mid Cap Value Z</td>
<td>4% Columbia Mid Cap Value Z</td>
</tr>
<tr>
<td>3% Columbia Strategic Investor Z</td>
<td>3% Columbia Strategic Investor Z</td>
<td>5% Davis Real Estate A</td>
</tr>
<tr>
<td>2% Davis Real Estate A</td>
<td>2% Davis Real Estate A</td>
<td>8% Dodge &amp; Cox Stock</td>
</tr>
<tr>
<td>5% Dodge &amp; Cox Stock</td>
<td>4% Fidelity Advisor Mid Cap T</td>
<td>4% Fidelity Advisor Mid Cap T</td>
</tr>
<tr>
<td>2% Fidelity Advisor Mid Cap T</td>
<td>3% JPMorgan Small Cap Equity Sel</td>
<td>5% JPMorgan Small Cap Equity Sel</td>
</tr>
<tr>
<td>3% JPMorgan Small Cap Equity Sel</td>
<td>2% Morgan Stanley Inst US Sm Cp Value P</td>
<td>5% LM BFM Emerging Markets Trust Fd</td>
</tr>
<tr>
<td>2% Morgan Stanley Inst US Sm Cp Value P</td>
<td>5% Templeton Foreign A</td>
<td>4% Morgan Stanley Inst US Sm Cp Value P</td>
</tr>
<tr>
<td>5% Templeton Foreign A</td>
<td>2% Vanguard 500 Index</td>
<td>5% Templeton Foreign A</td>
</tr>
<tr>
<td>2% Vanguard 500 Index</td>
<td>2% Vanguard Explorer</td>
<td>2% Vanguard 500 Index</td>
</tr>
<tr>
<td>2% Vanguard Explorer</td>
<td></td>
<td>4% Vanguard Explorer</td>
</tr>
</tbody>
</table>

These model portfolios are illustrations only and are not intended as investment advice or recommendations for any individual. The models have been developed as general examples for investors with various risk profiles. A participant’s own portfolio selection may vary depending on personal objectives, other assets held outside of the plan, time horizon and risk tolerance. The final decision regarding investment choices is the participant’s, based on his or her individual situation, which may include factors and circumstances beyond the scope of these models and evaluation tools.

An asset allocation strategy and diversification may help reduce, but cannot eliminate risk of investment losses. There is no guarantee that by assuming more risk, you will achieve higher returns.
How to Enroll

Welcome to the Lincoln Alliance® program! You can easily enroll by:

- Phone
- Web

Before you begin the enrollment process, complete these simple steps:

1. Carefully read the educational and informational materials provided.
2. Decide how much you are going to contribute to your retirement account.
3. Make your investment choices -
   - Which investment options are you going to select?
   - How much you are going to contribute to each option you selected?
4. Name your beneficiary. Determine who will receive the value of your account at the time of your death.

ENROLL BY PHONE – 800-234-3500

To start: Complete all steps mentioned above in the “How to Enroll” section. Have ready: Social Security Number and PIN.

If you have not already, you will soon receive a letter with your Personal Identification Number (PIN). For your protection, your PIN is required every time you access your account by phone. Keep your PIN in a safe place.

Note: You will be given an opportunity to speak with a service representative at certain times during your call.

- Call 800-234-3500.
- Enter your Social Security Number and PIN when prompted.
- The voice response system offers a menu of options and step-by-step instructions.
- **Record your investment choices.** Press:
  1 – Retirement Information, then
  2 – Investment Elections for New Contributions, then press
  2 – ENTER your investment choices by following the voice prompts.
- To select a LifeSpan® Model or Automatic Portfolio Rebalancing, return to the main menu and speak to a service representative.
- If you elected a LifeSpan® model, periodically, your account balances will be automatically rebalanced according to the LifeSpan® asset allocation model’s investment mix; and you have agreed to participate in any changes in the investment mix for the LifeSpan® asset allocation models as the plan sponsor may deem appropriate from time to time keeping with the investment objectives of the selected model.
- **Enter your Salary Deferral percentage.** Press:
  1 – Retirement Information
  3 – Savings Rate, then
  1 – To get your current contribution percentage
  2 – To set up or change your contribution percentage
- To select your beneficiary designation, return to the main menu and speak to a service representative.
- Confirmation letters are mailed within seven days after making the transaction. When you have finished making choices on the voice-response system, you can hang up.
ENROLL BY WEB – www.LincolnAlliance.com

- To start: Complete all steps mentioned above in the “How to Enroll” section. Have ready: Social Security Number and PIN. If you have not already, you will soon receive a letter with your Personal Identification Number (PIN). For your protection, your PIN is required every time you access your account online. Keep your PIN in a safe place.

NOTE: The first time you access the website, you will be directed to create a new PIN/Password, setup your access questions, enter your preferences for receiving your confirmations, statements and prospectuses and as well enter your email addresses and establish a login ID.

- Logon to www.LincolnAlliance.com
- Enter your Social Security Number (with dashes) and PIN. Click "Login".

- To enter your SALARY DEFERRAL ELECTION:
  - Click "Initiate a Request".
  - Click “Contribution Elections”.
  - Click “Start” to walk through the steps outlined.
  - In Step 3, click “Accept” and a confirmation will be displayed with a Request ID #.
  - Print the confirmation for your records.
  - Click “Done”.

- To enter your INVESTMENT CHOICES:
  - Click "Initiate a Request".
  - Click “Change Investment Elections”.
  - Click "Start" to walk through the steps outlined.
  - In Step 3, click “Confirm” and a confirmation will be displayed with a Request ID #.
  - Print the confirmation for your records.
  - Click “Done”.

- To enter your BENEFICIARY ELECTIONS:
  - Click "Initiate a Request".
  - Click "Beneficiary Elections”.
  - Click “Start” to walk through the steps outlined.
  - In Step 1, confirm marital status and if applicable, print a spousal consent waiver.
  - Walk through the steps to enter beneficiary election.
  - In Step 3, click “Confirm” and a confirmation will be displayed with a Request ID #.
  - Print the confirmation for your records.
  - Click “Done”.

- After your first payroll deduction has been deposited into the plan you may enter your AUTO-REBALANCE ELECTION:
  - Click "Initiate a Request".
  - Click "Initiate Transfer".
  - Click "Start".
  - Select the “Automatically re-balance” link at the bottom of the first screen.
  - Walk through the remaining steps outlined.
  - In Step 3, click “Confirm” and a confirmation will be displayed with a Request ID #.
  - Print for your records.
  - Click “Done”.

- If you elected a LifeSpan model, periodically, your account balances will be automatically rebalanced according to the LifeSpan asset allocation model’s investment mix; and you have agreed to participate in any changes in the investment mix for the LifeSpan asset allocation models as the plan sponsor may deem appropriate from time to time keeping with the investment objectives of the selected model.

- A confirmation of your selections will be sent within 7 business days. If you do NOT make your investment choices, your contributions will be automatically invested in the default investment option designated by your employer.
Initial Contribution Rate Change and Opt-Out Form

STEP 1: Tell us about yourself

Choose the appropriate title: □ Mr. □ Mrs. □ Miss □ Ms. □ Dr. □ Other ___________

<table>
<thead>
<tr>
<th>Name: Last</th>
<th>First</th>
<th>Middle</th>
<th>SS#:</th>
</tr>
</thead>
</table>

Date of hire: __________________________

STEP 2: Determine your contribution amount

Unless you complete this section, The Valley Hospital will automatically enroll you in the 401(k) Retirement Plan, withholding 4% of your compensation each payday and contributing it to the Plan. To elect a different contribution rate or to opt out of the Plan, you must complete this section, read the acknowledgements, and sign and return this form within 30 days of your date of hire.

☐ YES, I want to contribute to the Plan. I would like to contribute at ___________% (whole percentages).

The maximum you may contribute to the Plan is 75% not to exceed the annual maximum IRS limitations on salary deferrals you make to the Plan.

If you have attained or will attain age 50 by the end of the plan year, you may be able to contribute more.

☐ NO, I want to opt out and do not want to contribute to the Plan. I understand that each January, I will be required to contact Lincoln Financial Group to opt out should I still desire not to contribute or I will be automatically be enrolled at 4%.

NOTE: I understand that I MUST select a beneficiary regardless of my election not to contribute and will need to update my investment elections for Valley’s Basic Match contribution.

Please complete Step 3: Sign your name

- I understand that any contribution amounts withheld from my compensation cannot be refunded.
- I understand that if I participate in the plan but do not select investment elections, my deferrals will be invested in the default investment option designated by my employer. I further understand that my contributions will be invested in the LifeSpan® Moderate Model for the Plan if I don’t make investments elections.
- I acknowledge that I have received information regarding my automatic participation in the 401(k) Retirement Plan.
- I have been notified that unless I indicate otherwise, The Valley Hospital will automatically withhold 4% of my compensation each payday and contribute that amount to my account in the Plan.
- I understand that while I am not contributing, no matching contributions will be calculated for deposit into my account.
- I understand that I may begin contributing to the Plan or change my current percentage rate at any time in the future.
- If I wish to change my investment elections for future contributions, I may call Lincoln Alliance® Customer Service at 800-234-3500 or access the web site at www.LincolnAlliance.com.

STEP 3: Sign your name

X __________________________________________________________________________

Participant’s signature __________________________ Date __________

Return this form to: The Human Resources representative(s) for your facility
Rollover Request
Section I     Plan Information

SPECIAL NOTES

- Carefully read the rollover notice you received from your distributing plan before you complete the following sections on the Rollover Request. The choices you make will affect the taxes you owe.
- If you don’t complete Section II of this form, your rollover will be moved to the default investment option designated by your employer.

Step 1: Tell us about yourself

Choose the appropriate title: [ ] Mr. [ ] Mrs. [ ] Miss [ ] Ms. [ ] Dr. [ ] Other
Name: [ ] Last [ ] First [ ] Middle
SS#: [ ]
Address:
Street [ ] City [ ] State [ ] Zip [ ]
Birth date: [ ] Date of hire: [ ] Daytime phone: ( ) Evening phone: ( )
[ ] Married [ ] Not married Occupation: __________________________ Work hours: __________________

Step 2: What was your former plan (Please complete all of Step 2.)

Amount of rollover: [ ] $ [ ] or [ ] %
I am requesting a rollover of:
[ ] pre-tax contributions from a 401(k) plan [ ] pre-tax contributions from a 403(b) plan
[ ] pre-tax contributions from a 401(a) plan [ ] pre-tax contributions from a 457(b) governmental plan
[ ] pre-tax contributions from an IRA plan

Note: Rollovers of after-tax contributions are NOT allowed.

Former employer’s name: [ ] Phone: ( )
Previous Account number: [ ]
The account I want to roll over is with (check one): [ ] Lincoln Life [ ] Other
Name of annuity provider, custodian or trustee:
Contact person: [ ] Phone: ( ) Email: [ ]
Address:
Street [ ] City [ ] State [ ] Zip [ ]

You must provide one of the following forms of documentation in order to process your rollover:

[ ] Copy of most recent statement from the prior plan
  (Documentation must clearly confirm type of plan, i.e., 401(k), 403(b), 457(b) governmental plan or IRA)
[ ] Letter from prior plan sponsor indicating the type of plan where rollover originated
[ ] Copy of prior plan sponsor’s IRS determination letter

Failure to provide one of the above forms of supporting information will delay the processing of your rollover request until such supporting information is received.

(Please see reverse side)
Step 3: Signatures

- I verify that this transaction contains only eligible rollover dollars. I have read the above information and authorize the investment of my rollover contribution solely for my benefit, based on my investment elections in Section II of this form. I have read and I understand the rollover notice I received from my distributing plan. I request to have this transaction processed immediately.

- I understand that my participation, including my rollover contribution and any associated earnings, will be governed by the provisions contained in the receiving retirement plan.

- I verify that this rollover was transferred within 60 days after I received such payment, if applicable.

X
Participant’s signature ____________________________ Date ______________

I hereby certify that the above participant’s request for rollover into the retirement plan is authorized and is in compliance with all provisions of that retirement plan.

Plan administrator’s signature ____________________________ Date ______________

Trustee acceptance

Be advised that the Wilmington Trust Co. is acting as trustee/custodian and is willing to accept the proceeds from the above-referenced plan or account into the trust/custodial account, in the Lincoln Alliance® program.

Return this form to:

The Valley Hospital
PO Box 7876
Fort Wayne, IN 46801-7876

Instructions for former provider:

Please make check payable to:
Wilmington Trust for the benefit of 401(k) Retirement Plan Valley Hospital, (participant’s name), (participant’s Social Security number).

(Please see next page)
Rollover Request
Section II     Investment Allocation

Name:  __________________________________________________  SS#:  _____________________

| Step 4: Where should your rollover go |
| Amount of rollover:  □ $___________  or  □ _________% |

INVESTMENT ELECTIONS: I authorize my rollover check to be invested in the retirement plan in the following manner:

NOTE: Indicate investment elections in whole percentages. Total must equal 100%, in increments of 1%. If you do not complete this section, your rollover will be moved to the default investment option designated by your employer. You will then be able to move your assets out of that investment option.

If you elected a LifeSpan® model with a rebalancing feature or signed up to have your account automatically rebalanced, the assets from this transfer will be included with your current asset balance and will be rebalanced according to your current investment selection.

<table>
<thead>
<tr>
<th>Option 1: Use LifeSpan® Asset Allocation Models.</th>
<th>Select One</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conservative Model</td>
<td>□ 100%</td>
</tr>
<tr>
<td>Moderate Model</td>
<td>□ 100%</td>
</tr>
<tr>
<td>Aggressive Model</td>
<td>□ 100%</td>
</tr>
</tbody>
</table>

If you completed Option 1, Do Not complete Option 2.

<table>
<thead>
<tr>
<th>Option 2: Determine your own asset allocation percentages.</th>
<th>Percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and Stable Value Investments</td>
<td></td>
</tr>
<tr>
<td>Lincoln Fixed Annuity</td>
<td>%</td>
</tr>
<tr>
<td>Bond-based Investments</td>
<td></td>
</tr>
<tr>
<td>AllianceBernstein Gbl Bond In A</td>
<td>%</td>
</tr>
<tr>
<td>Artio Global High Income A</td>
<td>%</td>
</tr>
<tr>
<td>Columbia Intermediate Bond Z</td>
<td>%</td>
</tr>
<tr>
<td>PIMCO Total Return A</td>
<td>%</td>
</tr>
<tr>
<td>Allocation Investments</td>
<td></td>
</tr>
<tr>
<td>Dodge &amp; Cox Balanced</td>
<td>%</td>
</tr>
<tr>
<td>Janus Balanced</td>
<td>%</td>
</tr>
<tr>
<td>Stock-based Investments</td>
<td></td>
</tr>
<tr>
<td>American Century Vista Adv</td>
<td>%</td>
</tr>
<tr>
<td>American Funds EuroPacific Gr R5</td>
<td>%</td>
</tr>
<tr>
<td>American Funds Gthr Fund of Amer A</td>
<td>%</td>
</tr>
<tr>
<td>American Funds Washington Mutual R5</td>
<td>%</td>
</tr>
<tr>
<td>Columbia Mid Cap Value Z</td>
<td>%</td>
</tr>
<tr>
<td>Columbia Strategic Investor Z</td>
<td>%</td>
</tr>
<tr>
<td>Davis Real Estate A</td>
<td>%</td>
</tr>
<tr>
<td>Dodge &amp; Cox Stock</td>
<td>%</td>
</tr>
<tr>
<td>Fidelity Advisor Mid Cap T</td>
<td>%</td>
</tr>
<tr>
<td>JPMorgan Small Cap Equity Sel</td>
<td>%</td>
</tr>
<tr>
<td>LM BFM Emerging Markets Trust F1</td>
<td>%</td>
</tr>
<tr>
<td>Morgan Stanley Inst US Sm Cp Value P</td>
<td>%</td>
</tr>
<tr>
<td>Neuberger Berman Socially Resp Tr</td>
<td>%</td>
</tr>
<tr>
<td>Oppenheimer Global A</td>
<td>%</td>
</tr>
<tr>
<td>Oppenheimer Global Opportunities A</td>
<td>%</td>
</tr>
<tr>
<td>Templeton Foreign A</td>
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<tr>
<td>Vanguard 500 Index</td>
<td>%</td>
</tr>
<tr>
<td>Vanguard Explorer</td>
<td>%</td>
</tr>
</tbody>
</table>

If you completed Option 2, Do Not complete Option 1

| Total                                                                 | 100% |

| Step 5: Sign your name                                               |
| X                                                                    |

Participant’s signature                                                 Date

Return this form to: The Valley Hospital, c/o Lincoln Retirement Services Co., PO Box 7876, Fort Wayne, IN 46801-7876
401(k) Retirement Plan
Valley Hospital

Important Information About Your Plan

Your contribution amount
By enrolling in the 401(k) Retirement Plan, you understand and agree that:
• The employer will reduce your pay by the amount you indicated per pay period.
• The employer will send this amount to the provider as contributions toward your retirement plan.
• The first payroll deduction will take place as directed by your employer, which is described in the plan highlights or the summary plan description provided by your employer.
• While employment continues, this agreement legally binds both you and the employer for amounts deferred until a change is submitted.
• This agreement will apply only to amounts not yet currently available to you. It will not apply to any amounts earned after the agreement is terminated.

Your beneficiary designations
By enrolling in the 401(k) Retirement Plan, you understand and agree that:
• The beneficiary designation provided on the enrollment form applies only to your Lincoln Alliance® program assets in the 401(k) Retirement Plan and does not supersede beneficiary designations made under this plan for investments held in non-Lincoln Alliance® program investment products.
• If you do not name a beneficiary or if no beneficiary survives you, all death benefits will be paid according to the retirement plan document provisions or applicable state regulations.
• Your primary beneficiary will receive the entire value of the account. If there are several surviving primary beneficiaries, the account value will be divided equally among them, unless specified otherwise.
• Your secondary beneficiary will receive the entire value of the account if no primary beneficiary is living. If there are several surviving secondary beneficiaries, the account value will be divided equally among them, unless specified otherwise.
• Based on federal law, if you are married and you name a primary beneficiary other than your spouse, you must complete the Spousal Waiver Form provided with your enrollment materials.

Your investment options
By enrolling in the 401(k) Retirement Plan, you understand and agree that:
• Your employer recommends that you review your enrollment materials completely before deciding to participate and making your investment elections.
• If you decide to participate and don’t provide investment choices on the enrollment form, your contributions will be invested in the default investment option selected by your employer. You will be able to transfer those assets to other investment options within your program after the enrollment period ends.

Before signing up for Automatic Rebalancing you have read and understand that:
• This rebalancing is accomplished by having assets automatically transferred among your investment options on a fixed schedule.
• If you elected a LifeSpan® model or signed up to have your account automatically rebalanced, the assets from any rollover or transfer will be included with your current asset balance and will be rebalanced accordingly to the current investment selection.

Your distribution restrictions
By enrolling in the 401(k) Retirement Plan, you indicate that you have read and understand any applicable distribution restrictions outlined in the plan highlights section of the enrollment materials.
### IRS Contribution Limits

<table>
<thead>
<tr>
<th>Maximum Salary Deferral Limits</th>
<th>2010</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>• 401(k) Plans (IRC Sec. 402(g) limit)</td>
<td>$16,500</td>
<td>$16,500</td>
<td>$15,500</td>
</tr>
<tr>
<td>• 403(b) Plans (IRC Sec. 402(g) limit)</td>
<td>$16,500</td>
<td>$16,500</td>
<td>$15,500</td>
</tr>
<tr>
<td>• 457 Plans</td>
<td>$16,500</td>
<td>$16,500</td>
<td>$15,500</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Age 50 Catch-up Contribution</th>
<th>2010</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>• 401(k) Plans</td>
<td>$5,500</td>
<td>$5,500</td>
<td>$5,000</td>
</tr>
<tr>
<td>• 403(b) Plans</td>
<td>$5,500</td>
<td>$5,500</td>
<td>$5,000</td>
</tr>
<tr>
<td>• 457(b) Governmental Plans</td>
<td>$5,500</td>
<td>$5,500</td>
<td>$5,000</td>
</tr>
</tbody>
</table>

Prior tax year information provided for comparison purposes only.


This information is brought to you as a courtesy and is for educational purposes only. Our affiliates and their representatives are not engaged in rendering legal, accounting, or other professional advice. If these services are required, an appropriate professional should be retained. This material is for your information, and we are not soliciting any action based upon it, nor should it be construed as an offer to sell or the solicitation of an offer to buy any security.
LINCOLN FINANCIAL GROUP® PRIVACY PRACTICES NOTICE

The Lincoln Financial Group companies* are committed to protecting your privacy. To provide the products and services you expect from a financial services leader, we must collect personal information about you. **We do not sell your personal information to third parties.** We share your personal information with third parties as necessary to provide you with the products or services you request and to administer your business with us. This Notice describes our current privacy practices. While your relationship with us continues, we will update and send our Privacy Practices Notice as required by law. Even after that relationship ends, we will continue to protect your personal information. **You do not need to take any action because of this Notice, but you do have certain rights as described below.**

INFORMATION WE MAY COLLECT AND USE

We collect personal information about you to help us identify you as our customer or our former customer; to process your requests and transactions; to offer investment or insurance services to you; to pay your claim; or to tell you about our products or services we believe you may want and use. The type of personal information we collect depends on the products or services you request and may include the following:

- **Information from you:** When you submit your application or other forms, you give us information such as your name, address, Social Security number; and your financial, health, and employment history.

- **Information about your transactions:** We keep information about your transactions with us, such as the products you buy from us; the amount you paid for those products; your account balances; and your payment history.

- **Information from outside our family of companies:** If you are purchasing insurance products, we may collect information from consumer reporting agencies such as your credit history; credit scores; and driving and employment records. With your authorization, we may also collect information, such as medical information from other individuals or businesses.

- **Information from your employer:** If your employer purchases group products from us, we may obtain information about you from your employer in order to enroll you in the plan.

HOW WE USE YOUR PERSONAL INFORMATION

We may share your personal information within our companies and with certain service providers. They use this information to process transactions you have requested; provide customer service; and inform you of products or services we offer that you may find useful. Our service providers may or may not be affiliated with us. They include financial service providers (for example, third party administrators; broker-dealers; insurance agents and brokers, registered representatives; reinsurers and other financial services companies with whom we have joint marketing agreements). Our service providers also include non-financial companies and individuals (for example, consultants; vendors; and companies that perform marketing services on our behalf). Information we obtain from a report prepared by a service provider may be kept by the service provider and shared with other persons; however, we require our service providers to protect your personal information and to use or disclose it only for the work they are performing for us, or as permitted by law.

When you apply for one of our products, we may share information about your application with credit bureaus. We also may provide information to group policy owners, regulatory authorities and law enforcement officials and to others when we believe in good faith that the law requires disclosure. In the event of a sale of all or part of our businesses, we may share customer information as part of the sale. **We do not sell or share your information with outside marketers who may want to offer you their own products and services; nor do we share information we receive about you from a consumer reporting agency. You do not need to take any action for this benefit.**

Lincoln Financial Group is the marketing name for Lincoln National Corporation and its affiliates.
SECURITY OF INFORMATION

We have an important responsibility to keep your information safe. We use safeguards to protect your information from unauthorized disclosure. Our employees are authorized to access your information only when they need it to provide you with products, services, or to maintain your accounts. Employees who have access to your personal information are required to keep it confidential. Employees are trained on the importance of data privacy.

Questions about your personal information should be directed to:

Lincoln Financial Group
Attn: Enterprise Services Compliance-Privacy, 6C-00
1300 S. Clinton St.
Fort Wayne, IN 46802

Please include all policy/contract/account numbers with your correspondence.

*This information applies to the following Lincoln Financial Group companies:

First Penn-Pacific Life Insurance Company
Lincoln Investment Advisors Corporation
Lincoln Life & Annuity Company of New York
Lincoln Variable Insurance Products Trust
The Lincoln National Life Insurance Company

ADDITIONAL PRIVACY INFORMATION FOR INSURANCE PRODUCT CUSTOMERS

CONFIDENTIALITY OF MEDICAL INFORMATION

We understand that you may be especially concerned about the privacy of your medical information. We do not sell or rent your medical information to anyone; nor do we share it with others for marketing purposes. We only use and share your medical information for the purpose of underwriting insurance, administering your policy or claim and other purposes permitted by law, such as disclosure to regulatory authorities or in response to a legal proceeding.

MAKING SURE MEDICAL INFORMATION IS ACCURATE

We want to make sure we have accurate information about you. Upon written request we will tell you, within 30 business days, what personal information we have about you. You may see a copy of your personal information in person or receive a copy by mail, whichever you prefer. We will share with you who provided the information. In some cases we may provide your medical information to your personal physician. We will not provide you with information we have collected in connection with, or in anticipation of, a claim or legal proceeding. If you believe that any of our records are not correct, you may write and tell us of any changes you believe should be made. We will respond to your request within 30 business days. A copy of your request will be kept on file with your personal information so anyone reviewing your information in the future will be aware of your request. If we make changes to your records as a result of your request, we will notify you in writing and we will send the updated information, at your request, to any person who may have received the information within the prior two years. We will also send the updated information to any insurance support organization that gave us the information, and any service provider that received the information within the prior 7 years.

Questions about your personal medical information should be directed to:

Lincoln Financial Group
Attn: Medical Underwriting
P.O. Box 21008
Greensboro, NC 27420-1008

The CONFIDENTIALITY OF MEDICAL INFORMATION and MAKING SURE INFORMATION IS ACCURATE sections of this Notice apply to the following Lincoln Financial Group companies:

First Penn-Pacific Life Insurance Company
Lincoln Life & Annuity Company of New York
The Lincoln National Life Insurance Company

GB06714 Page 2 of 2 6/09